



Minnesota Higher Education Facilities Authority
Susan Brower, Minnesota State Demographer
April 9, 2014



Topics for today

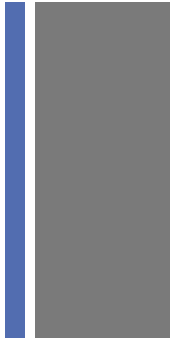
- 2 BIG demographic trends impacting Minnesota colleges and universities
- Your questions and insights



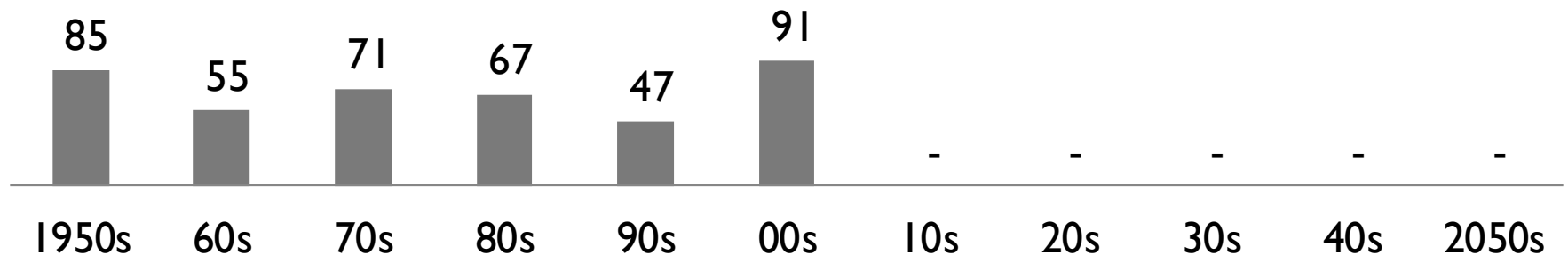
Trend #1:
Population aging
is beginning to
affect MN and
the nation



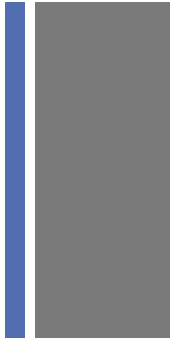
+ Number of older adults will increase substantially over the next 20 years



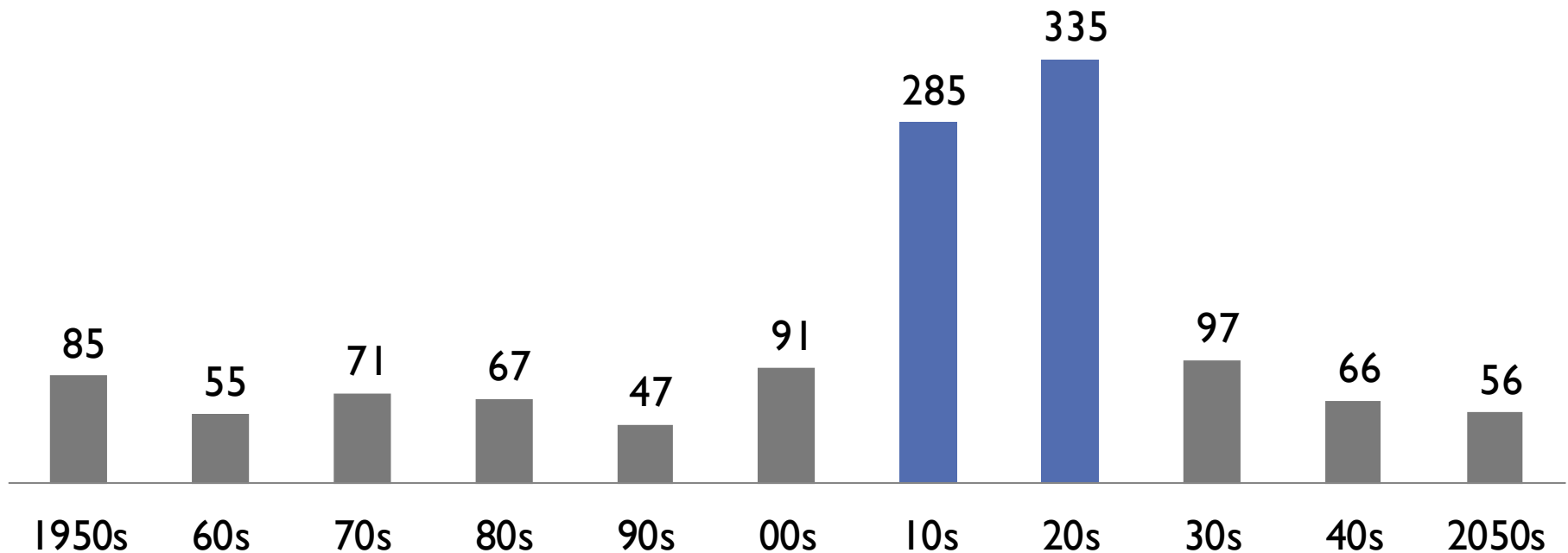
Change in older adults, age 65+ (Thousands)



+ Number of older adults will increase substantially over the next 20 years

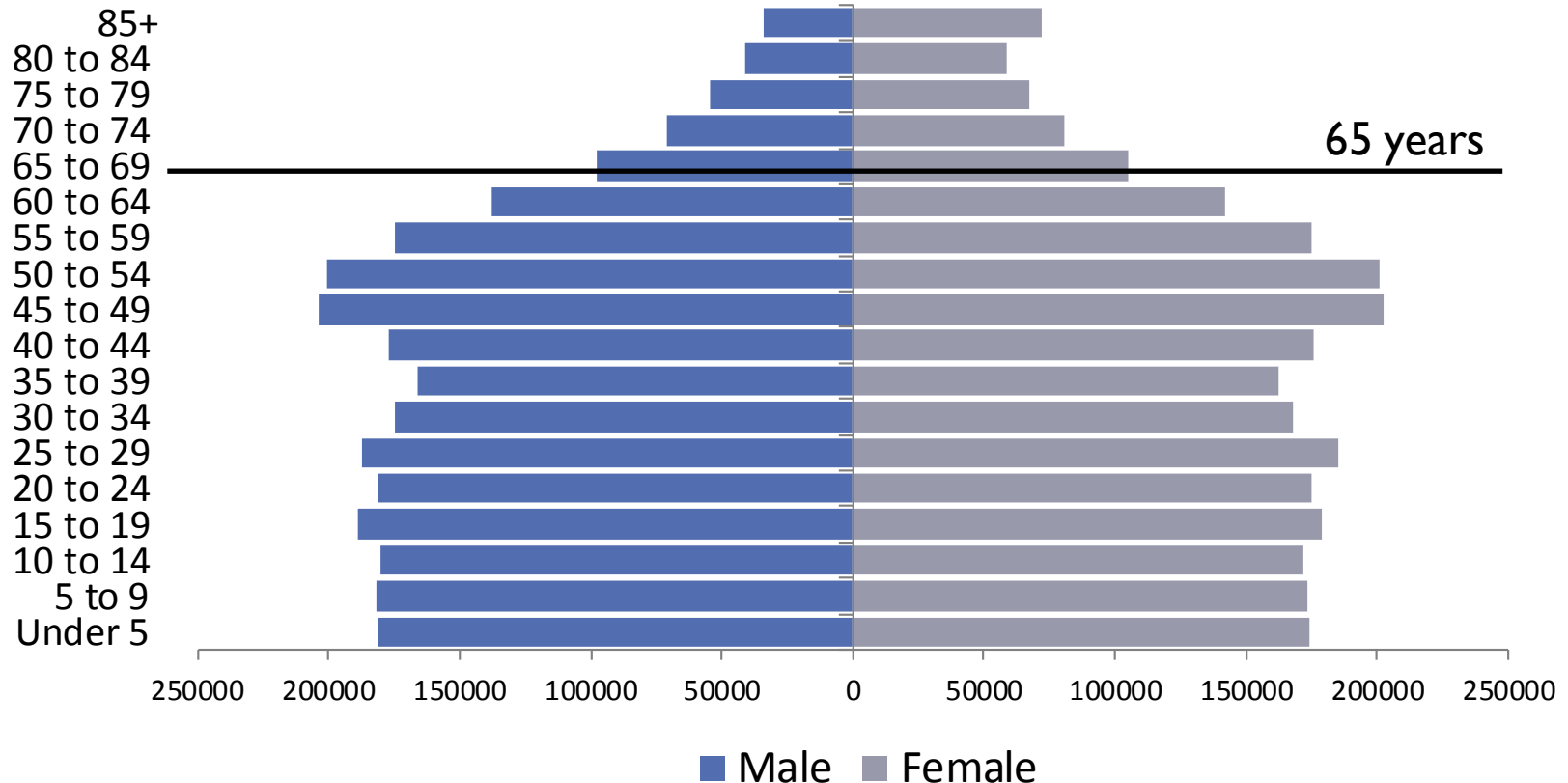


Change in older adults, age 65+ (Thousands)

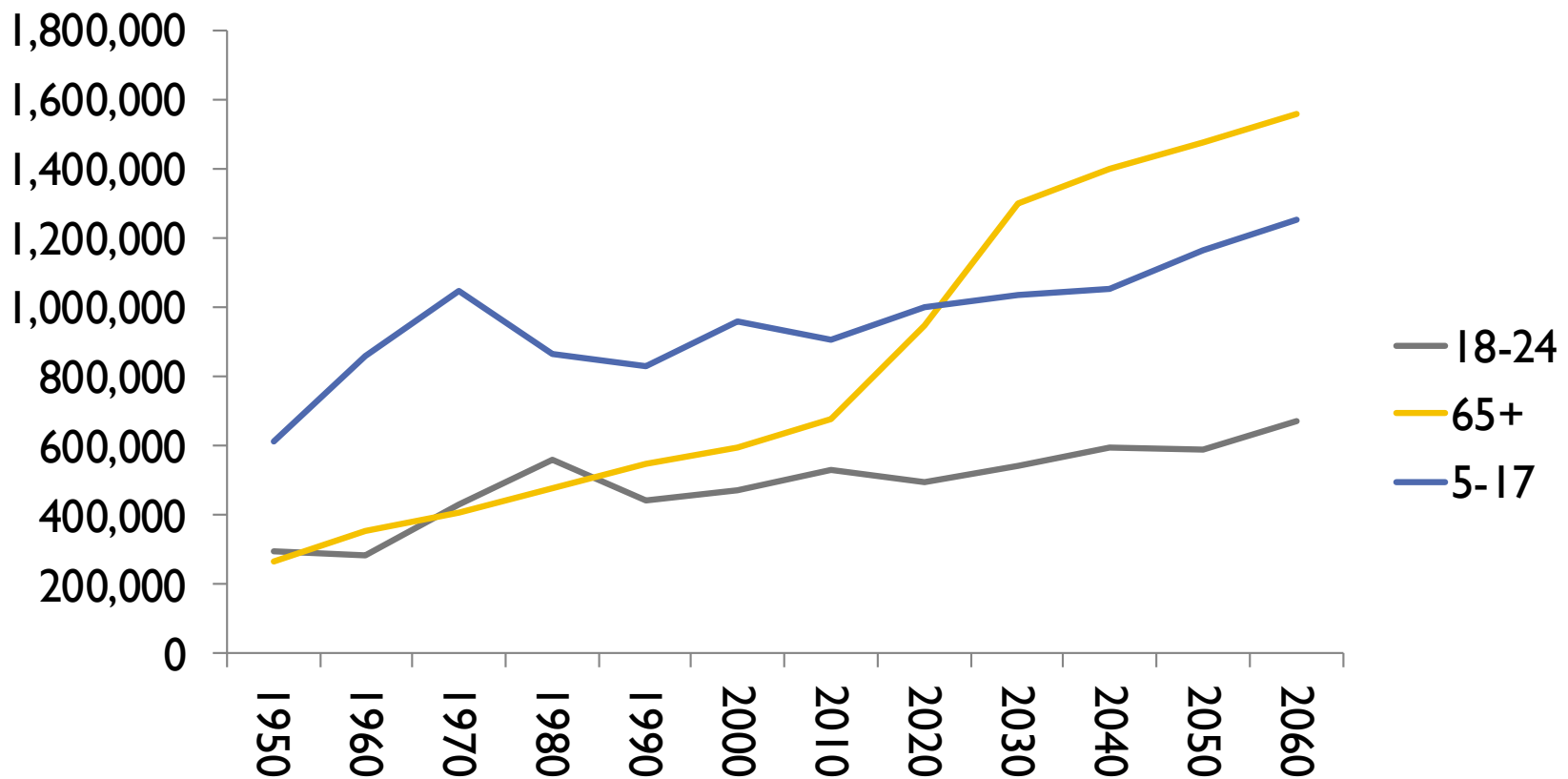


+ Why are these changes so marked now?

Population by age and sex
Minnesota, 2012

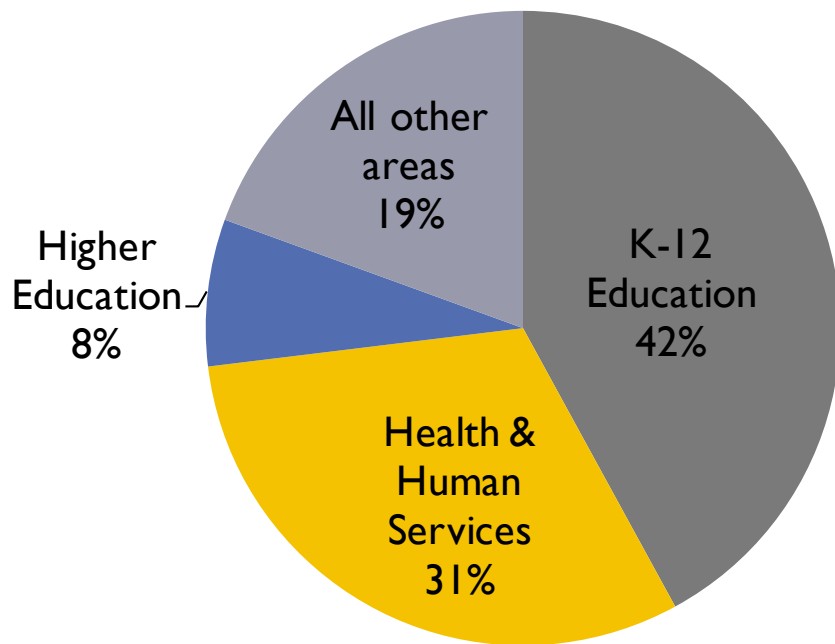


+ For the first time in MN history: More 65+ than school-age by 2020



+ Increasingly our demographics will change the demand for services

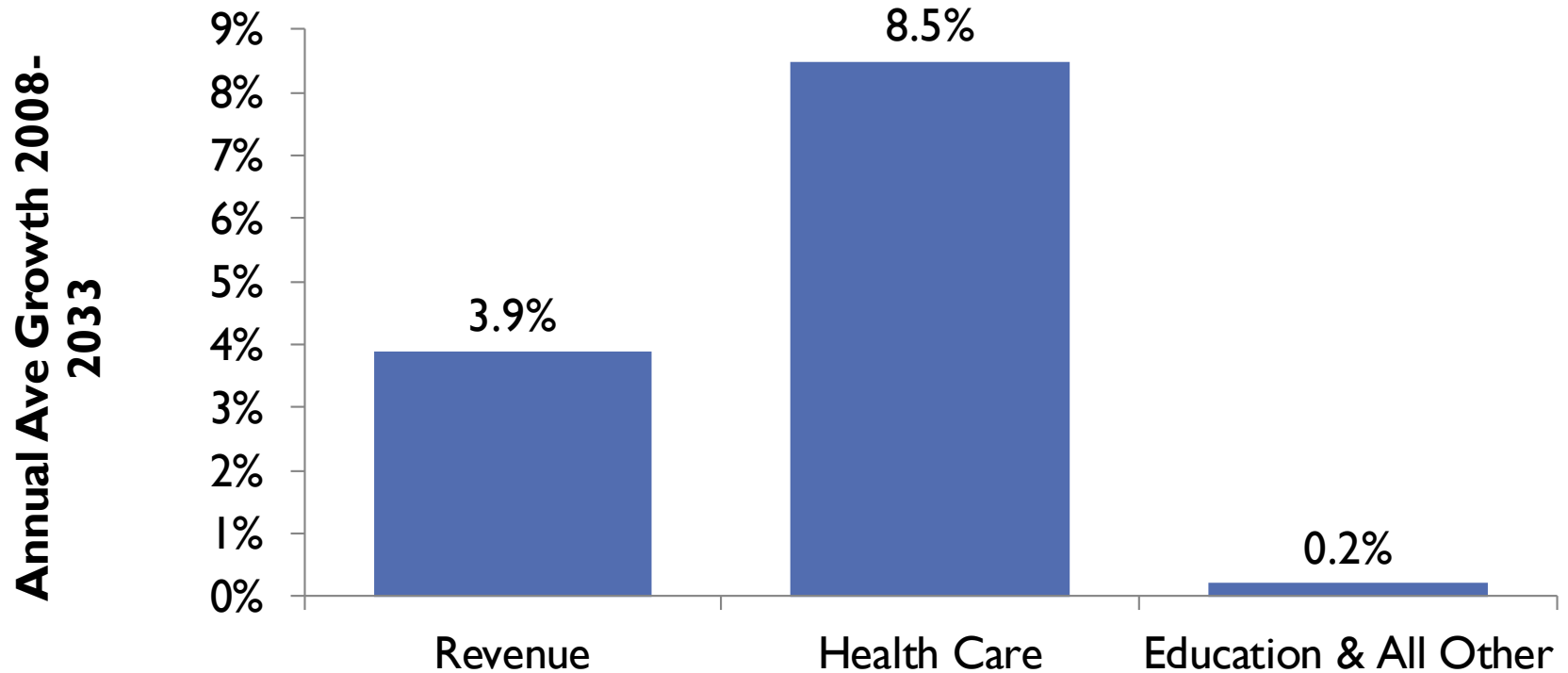
General Fund Expenditures FY 2012-2013



Within Health & Human Services

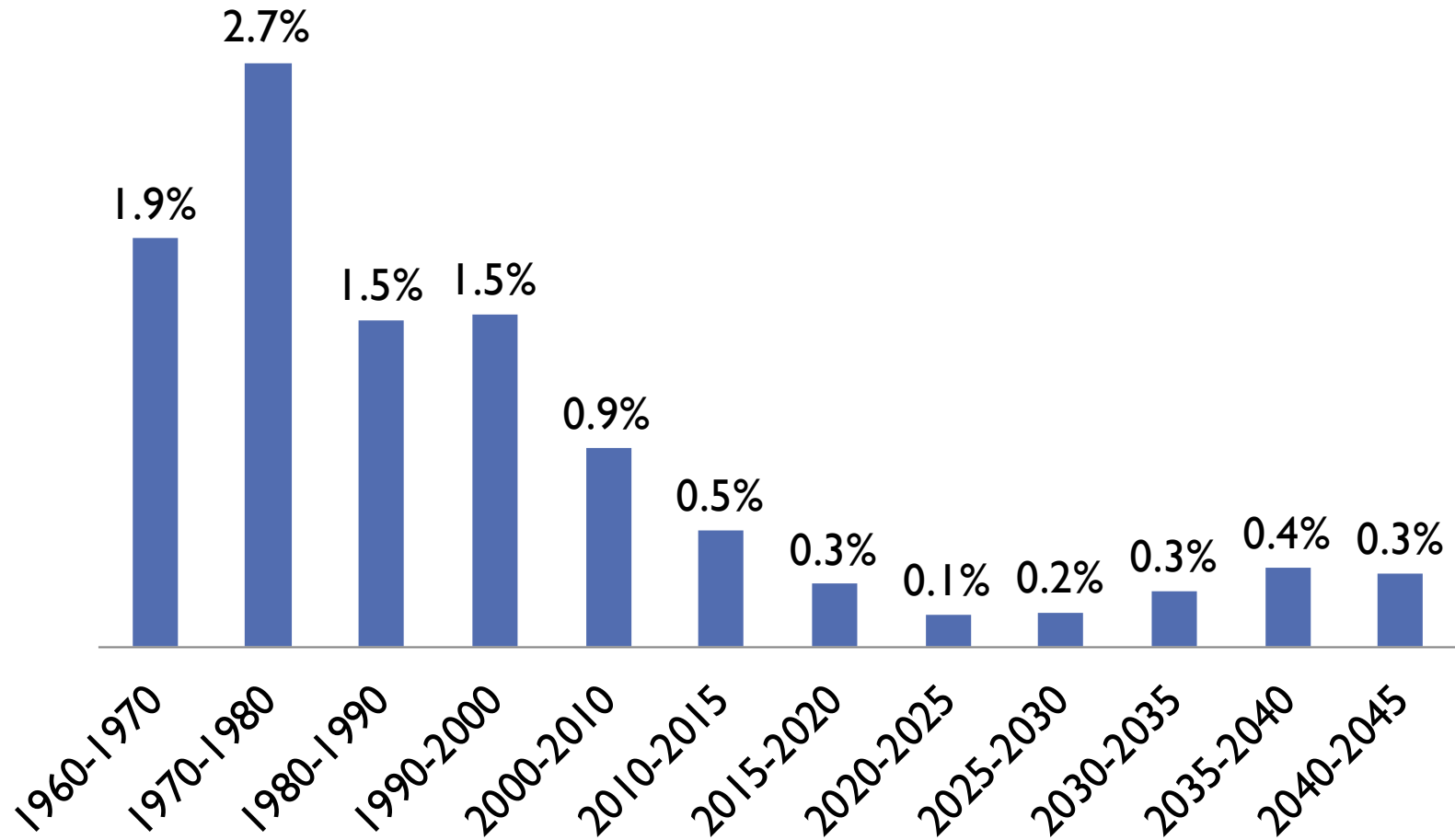
- Medical Assistance Expenditures: 25% of GF spending (8.5 billion)
- Medical Assistance Expenditures for the Elderly and Disabled: 16% of GF spending (5.5 billion)
- MA expenditures include basic care, long-term care waivers and long-term institutional care

From 2008: If State Health Care Costs Continue Their Current Trend, State Spending On Other Services Can't Grow





Labor force growth is projected to slow

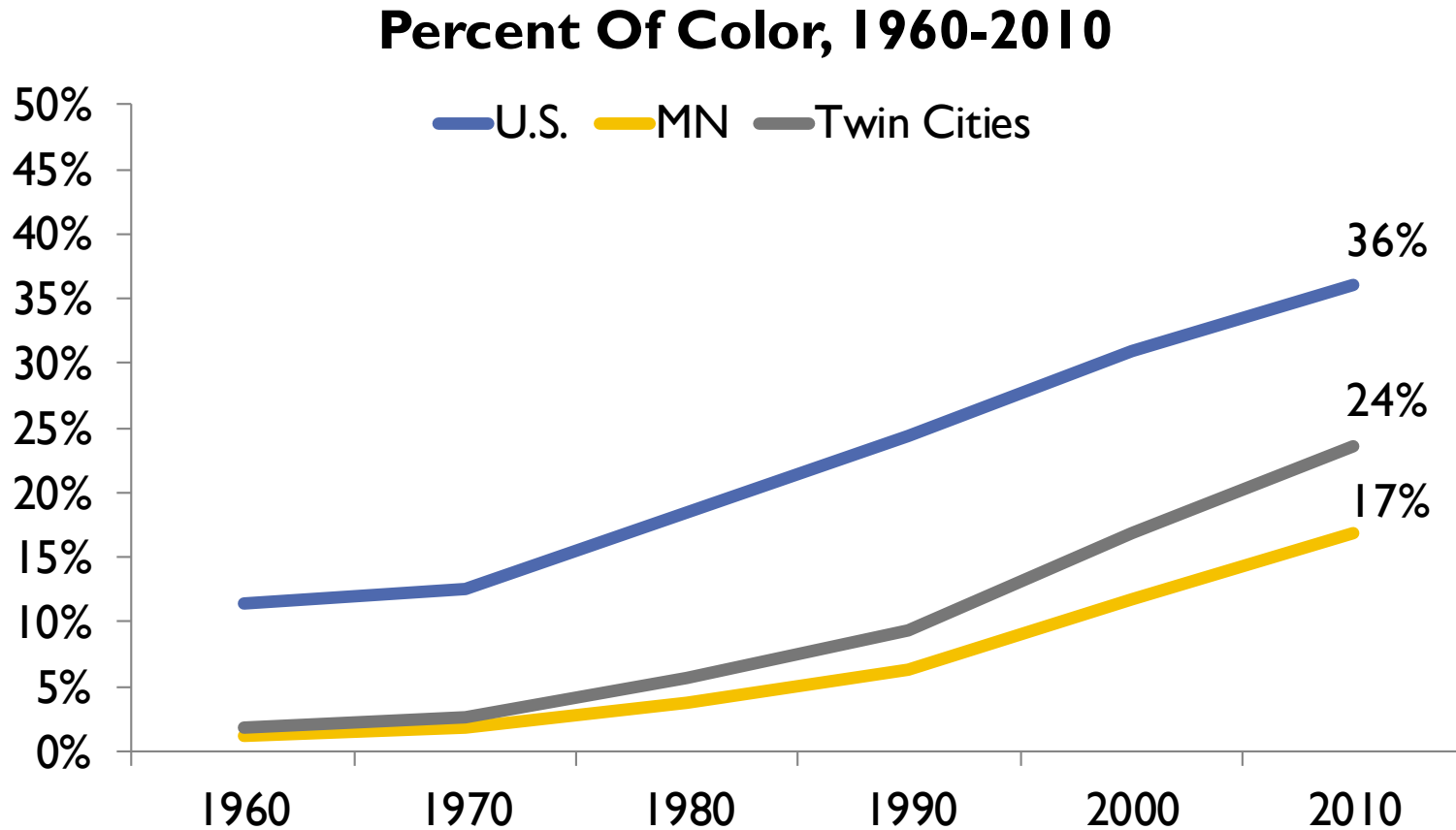




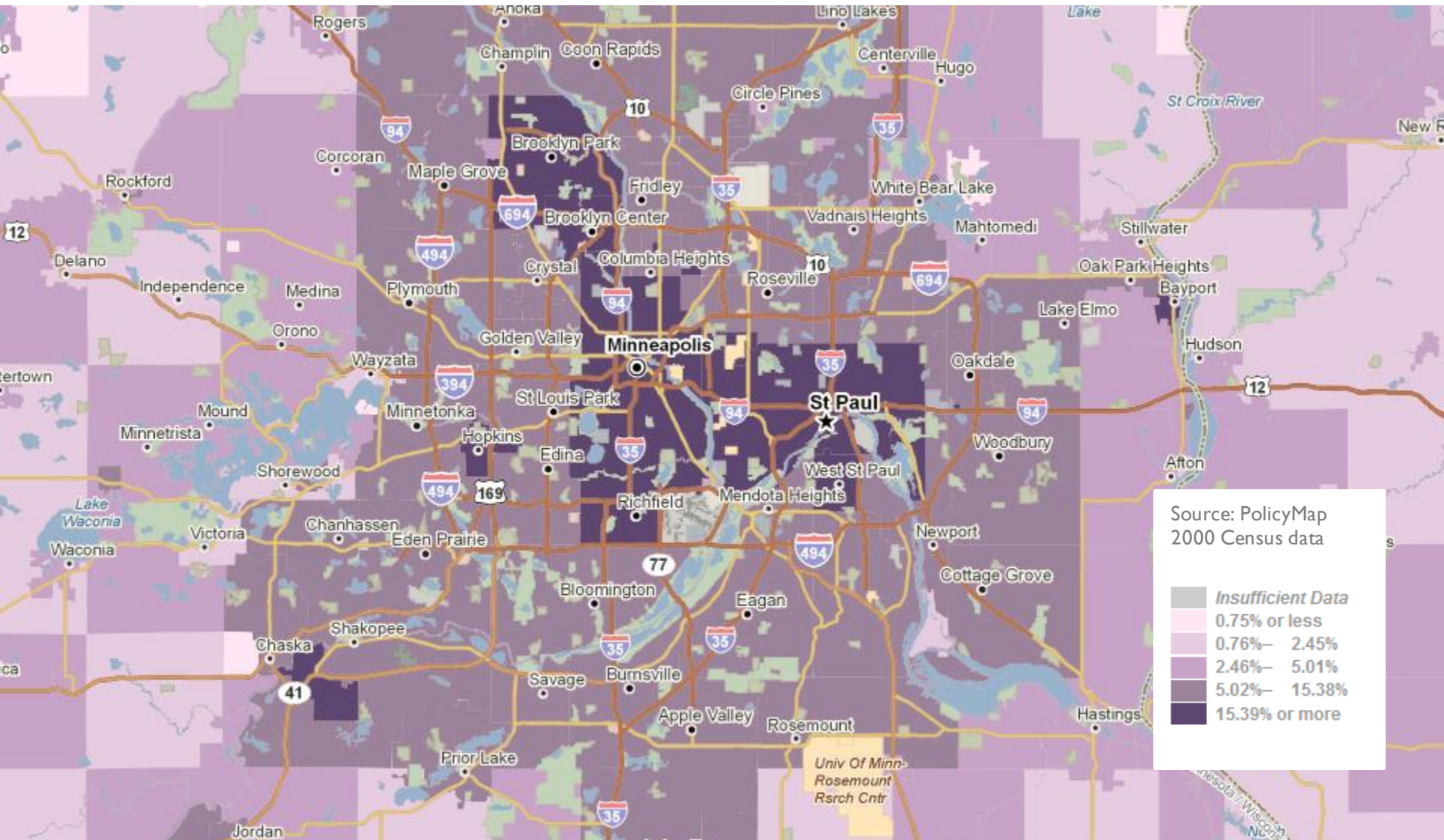
Trend #2:
Minnesota and the
Twin Cities are
becoming more
diverse



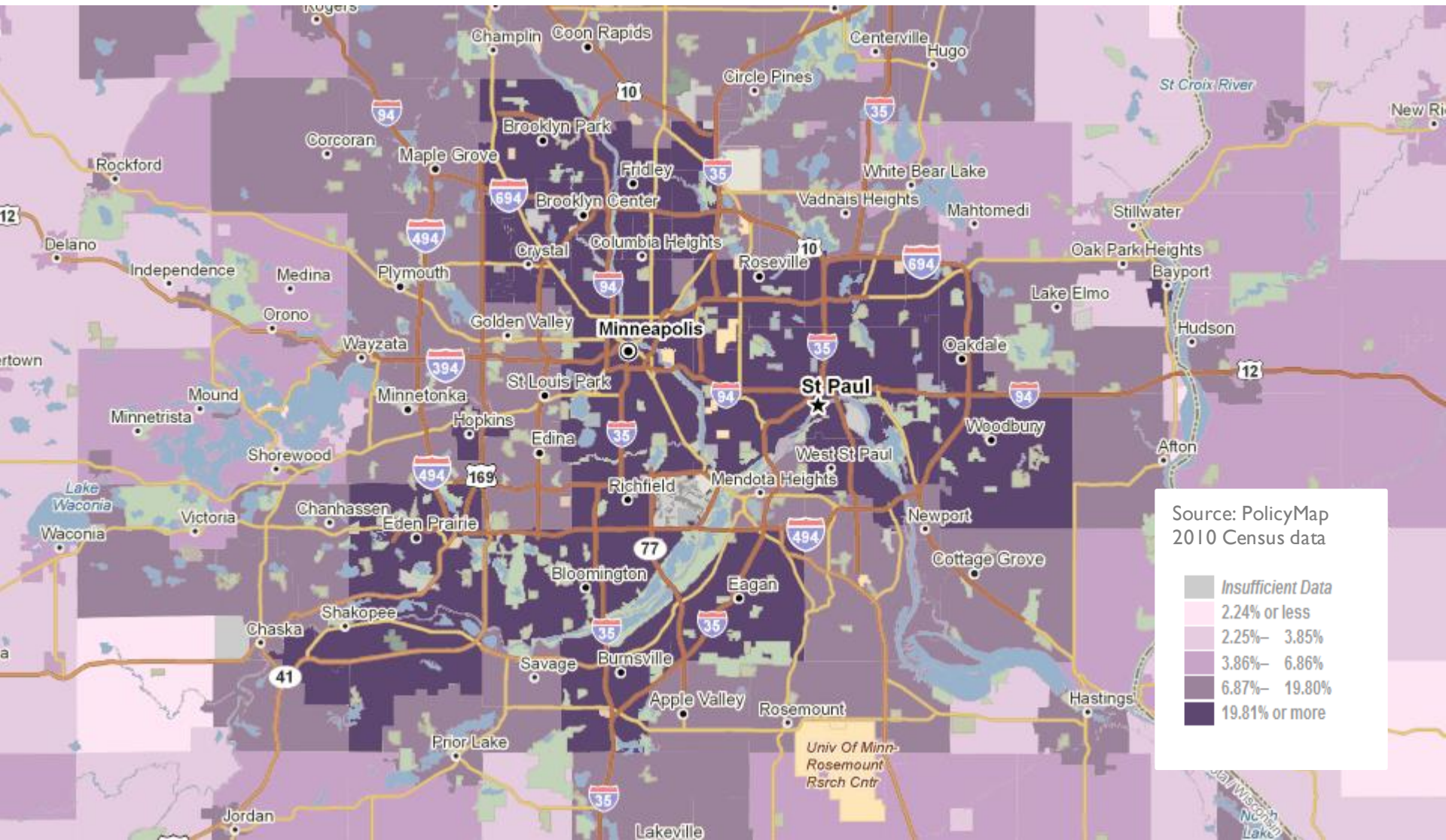
+ 50 years of growing diversity in our region, state, nation



2000: Few cities had populations of color > 15%



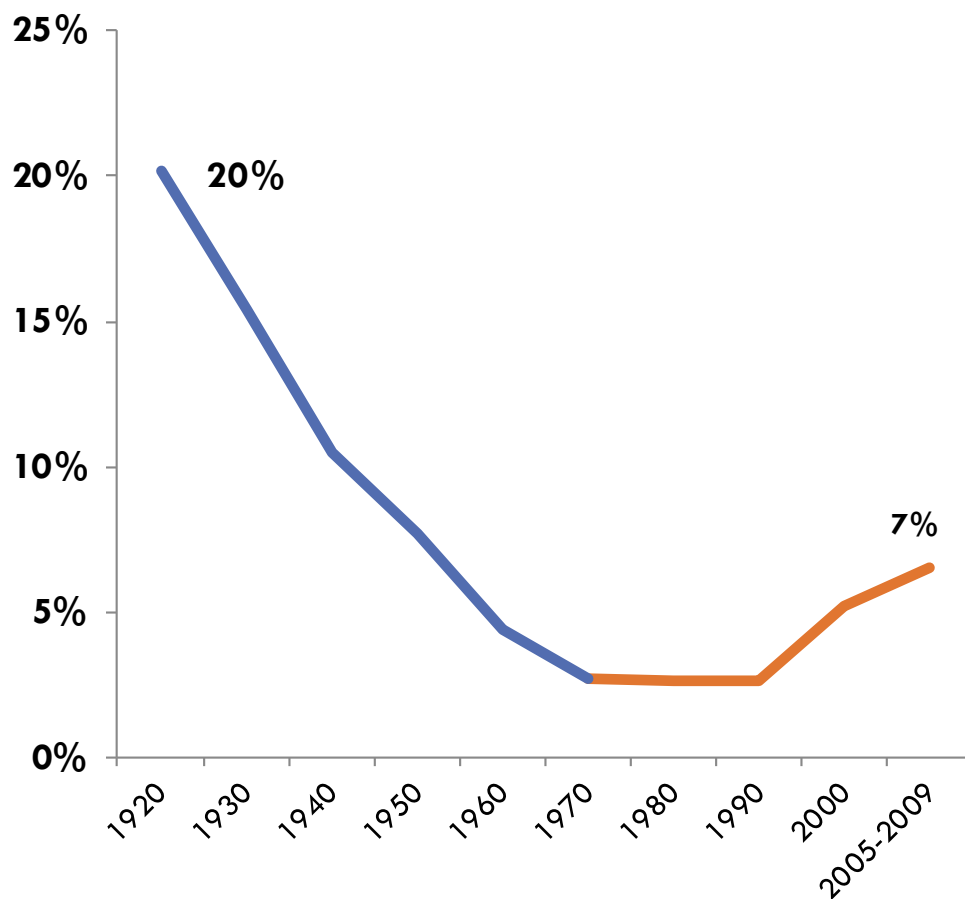
2010: Many cities had populations of color > 20%





International immigration on the rise

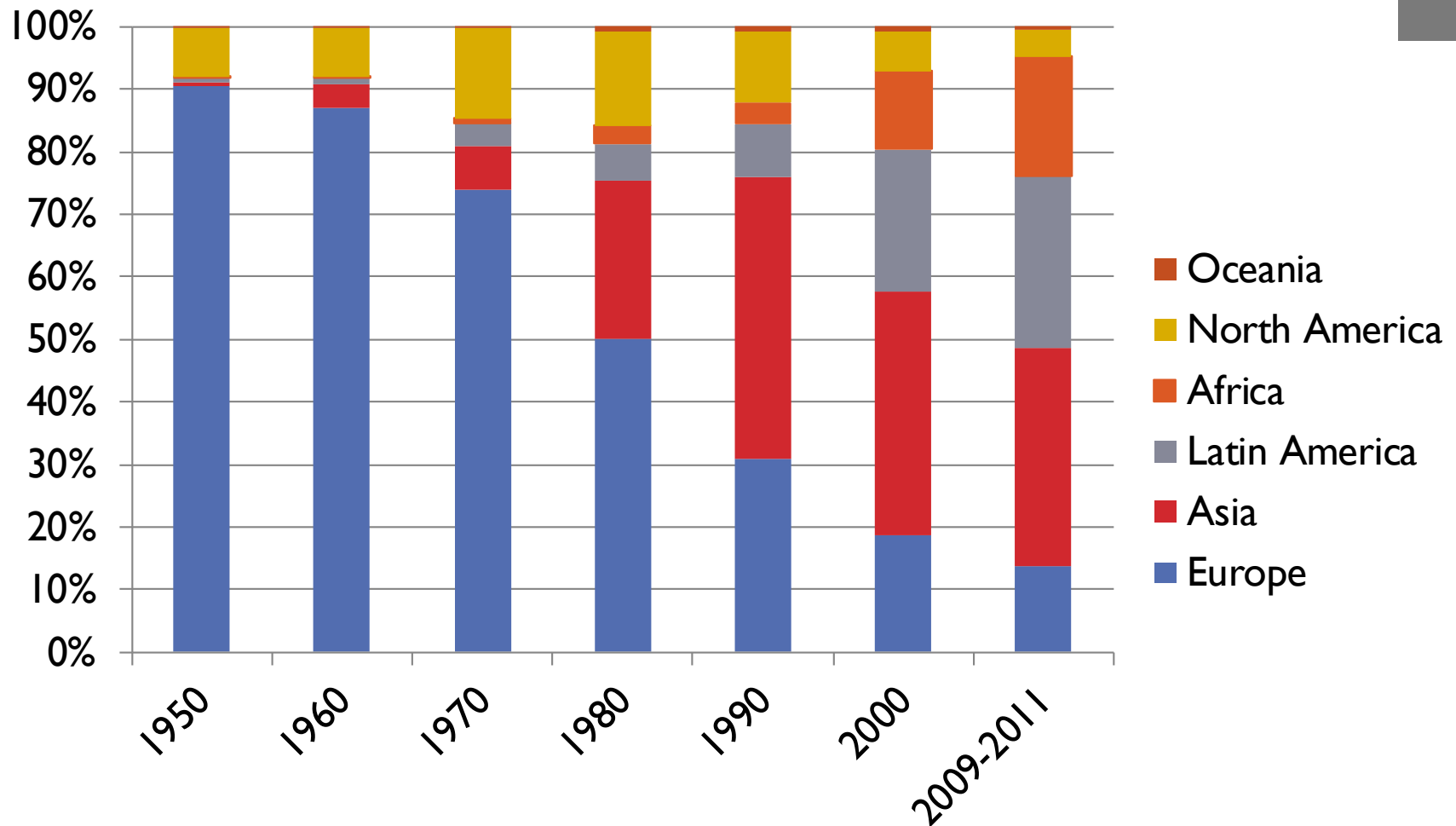
Percent Foreign Born
Minnesota 1970-2009



Source: U.S. Census Bureau

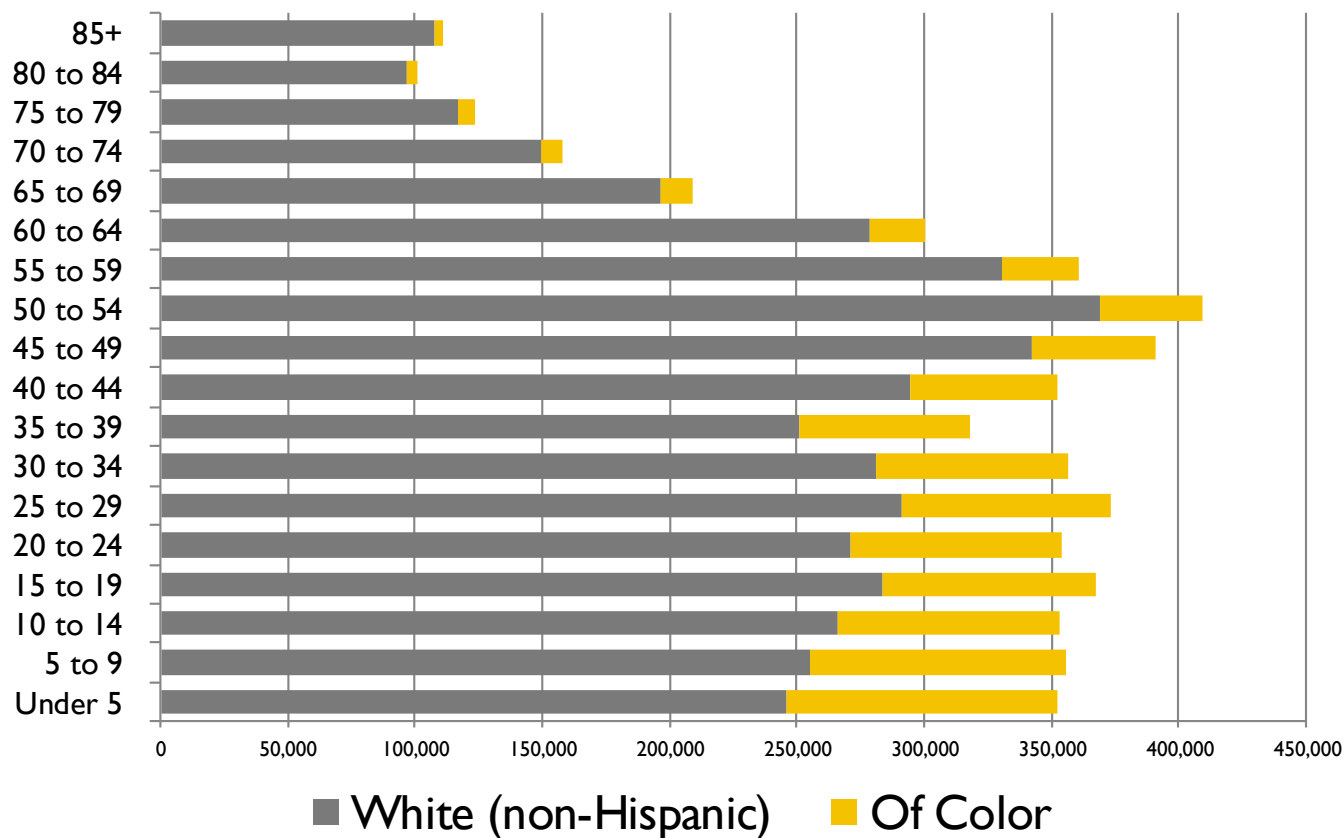


Our foreign-born population is becoming increasingly diverse

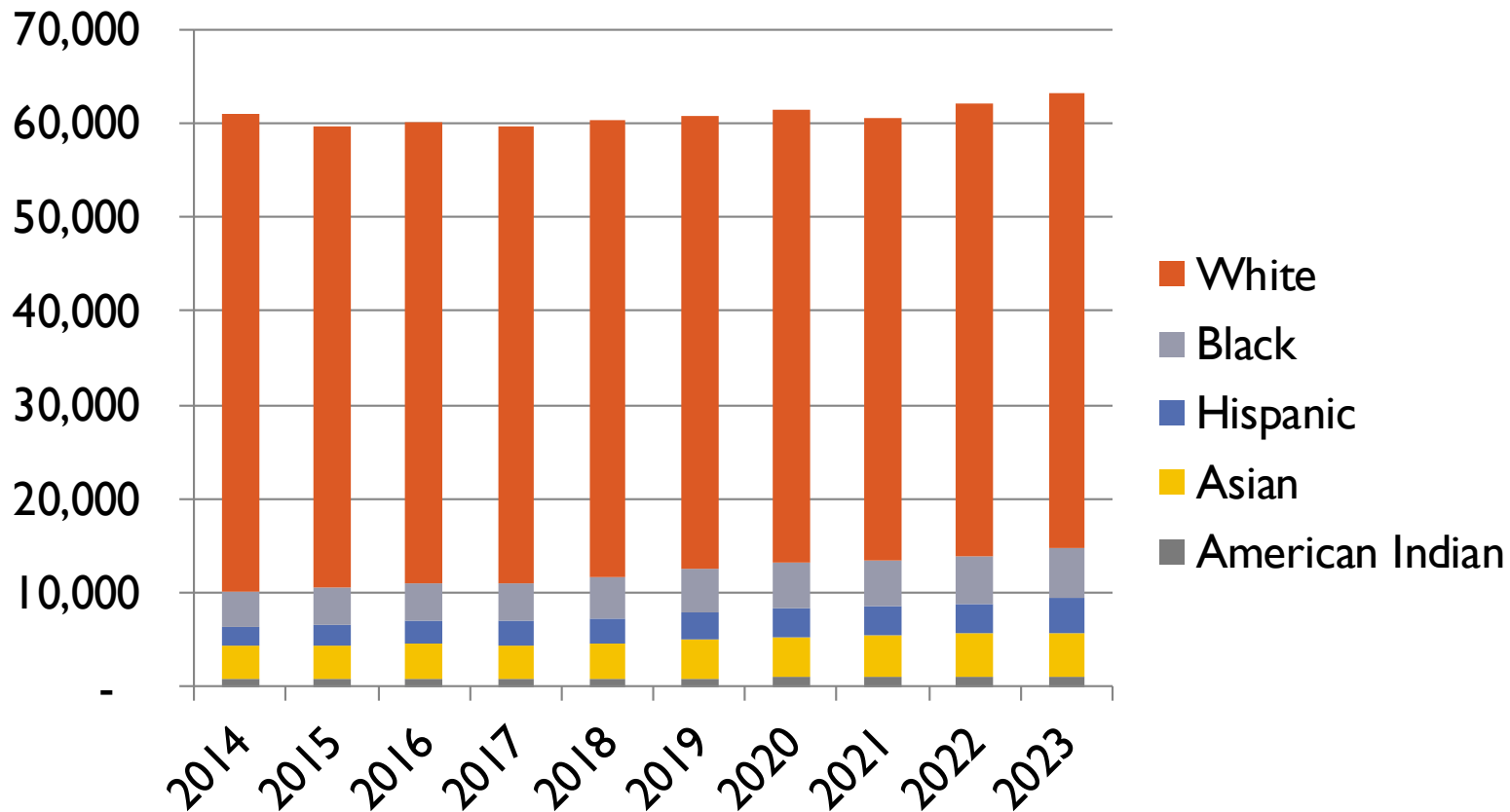


A portrait of Minnesota, 2011

White (non-Hispanic) and Of Color Population Minnesota, 2011

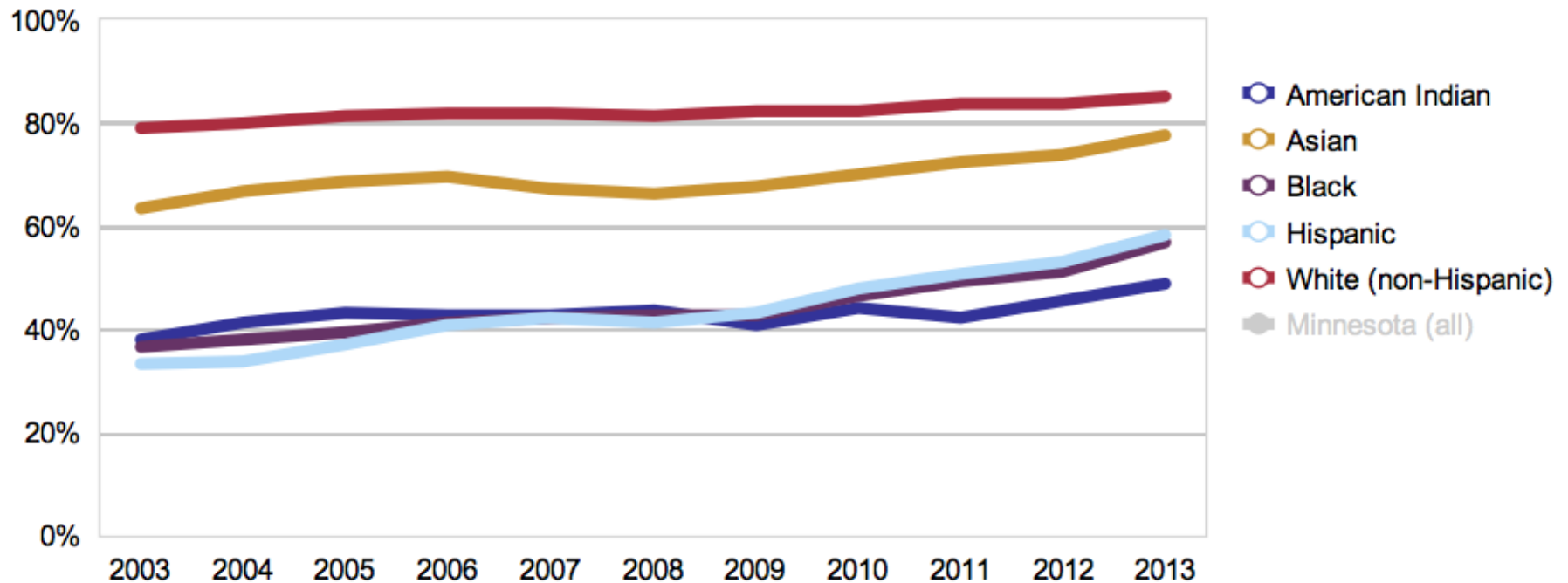


+ Over the next decade, the proportion of Minnesota high school graduates of color will rise



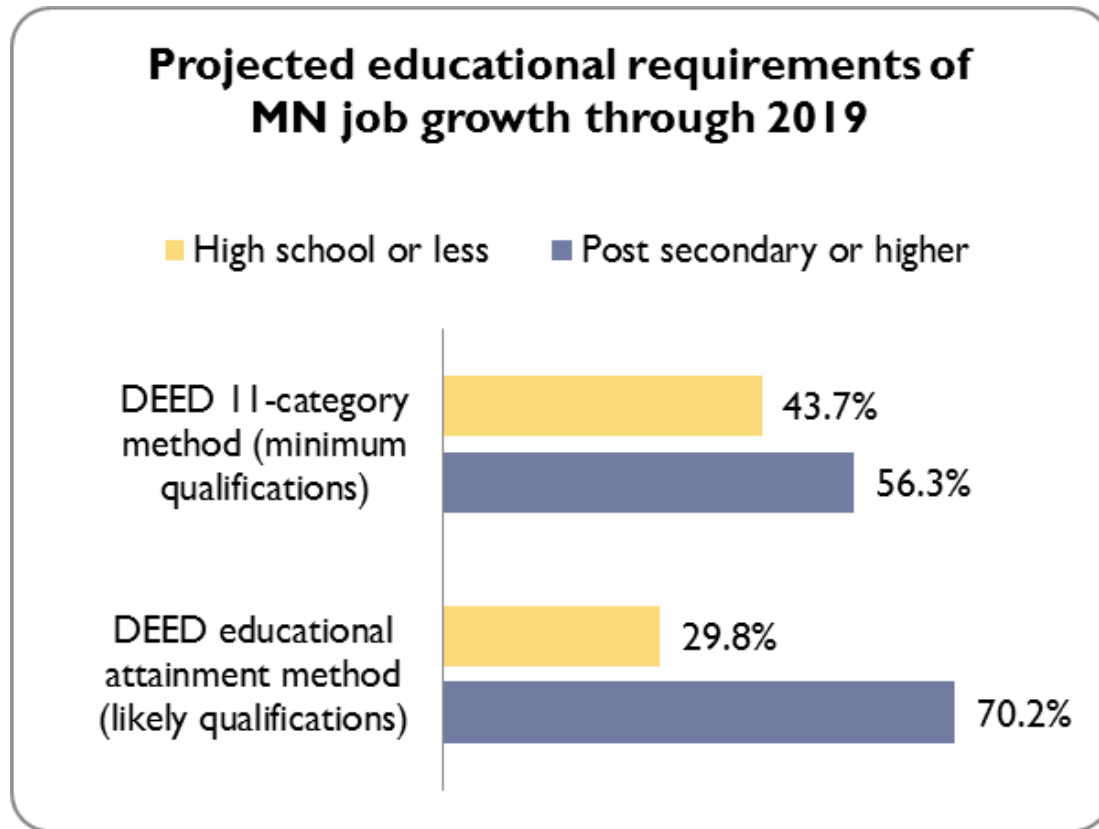
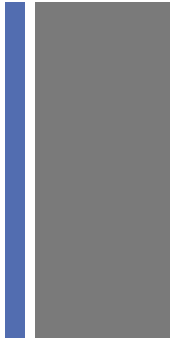
+ Racial gaps in attainment are large and persistent

**High school students graduating on time
by racial and ethnic group**
Minnesota, 2003-2013





Minnesota needs educated workers and workers need post-secondary ed

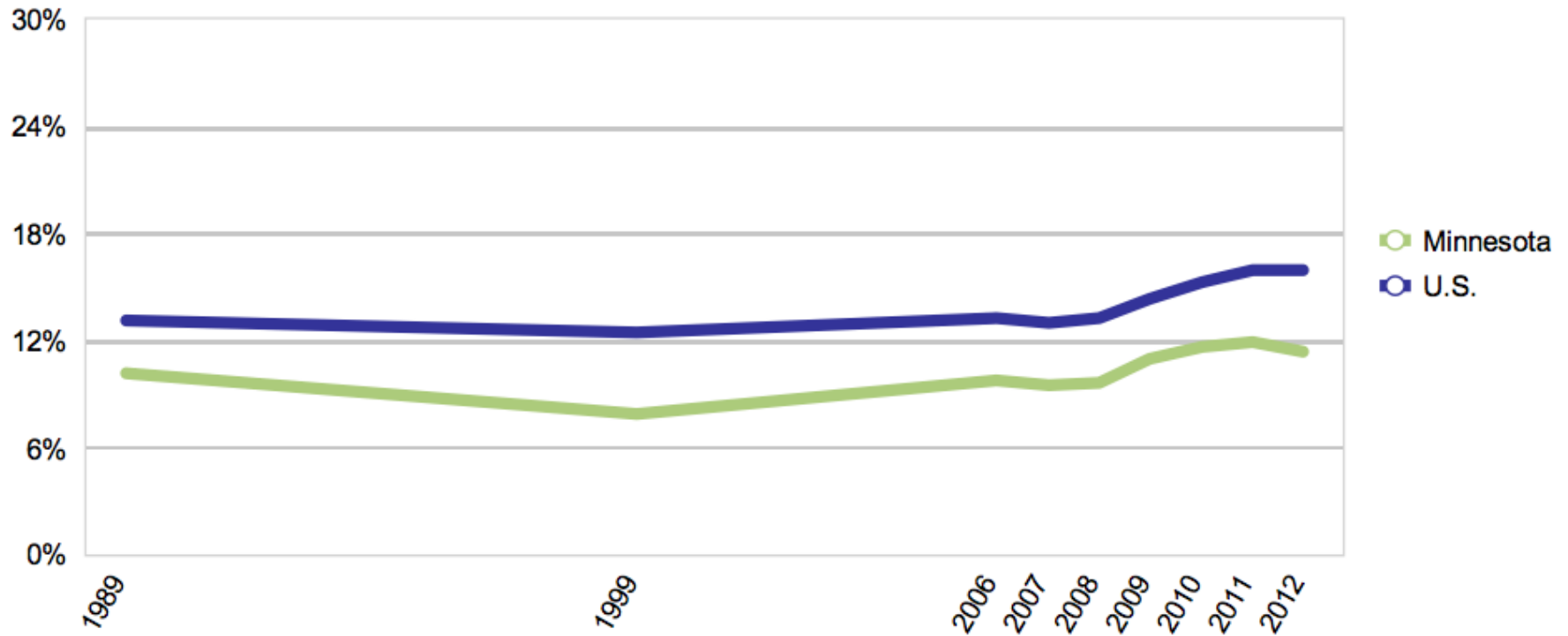




Rates of poverty now at 20 year high

Individuals below the poverty level

Minnesota and U.S., 1989-2012



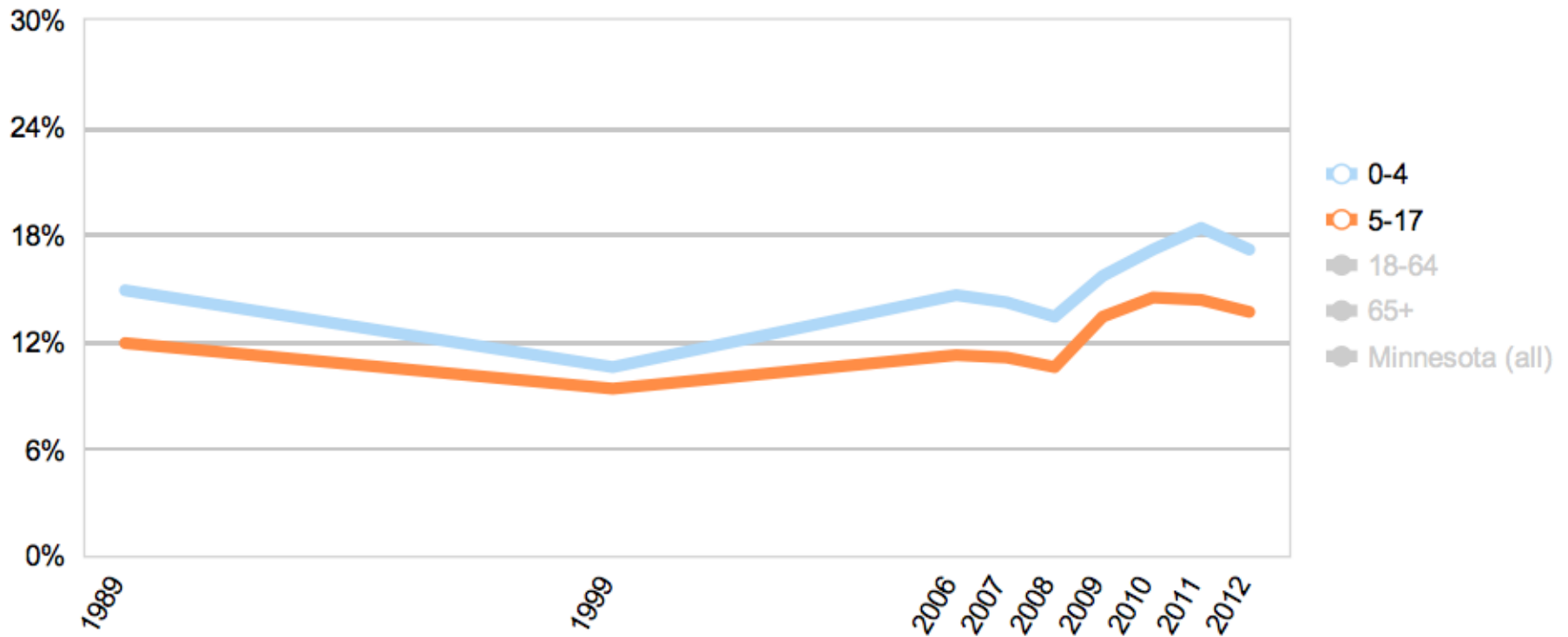
Compiled by
Compass



Rates of child poverty on the rise

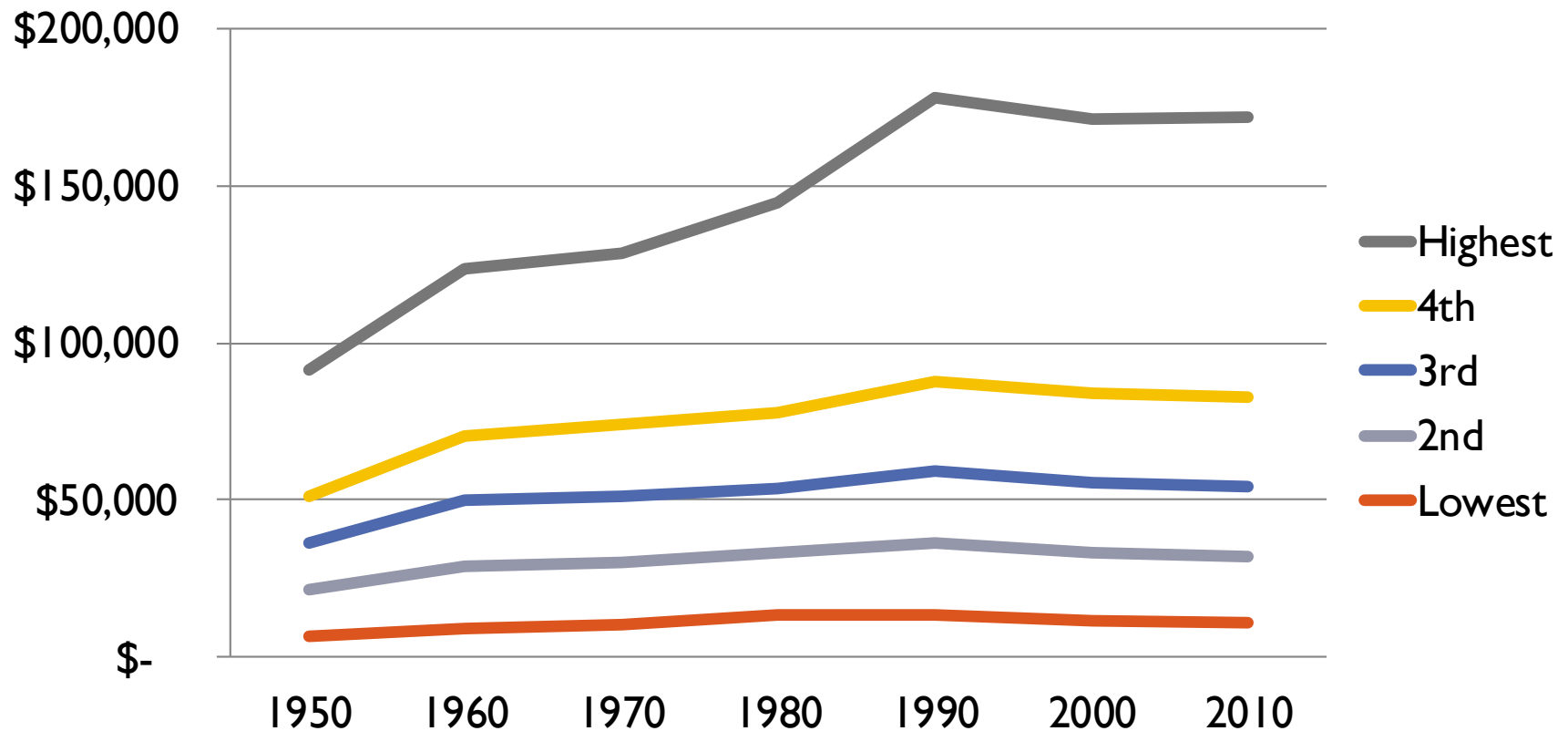
Individuals below the poverty level by age

Minnesota, 1989-2012



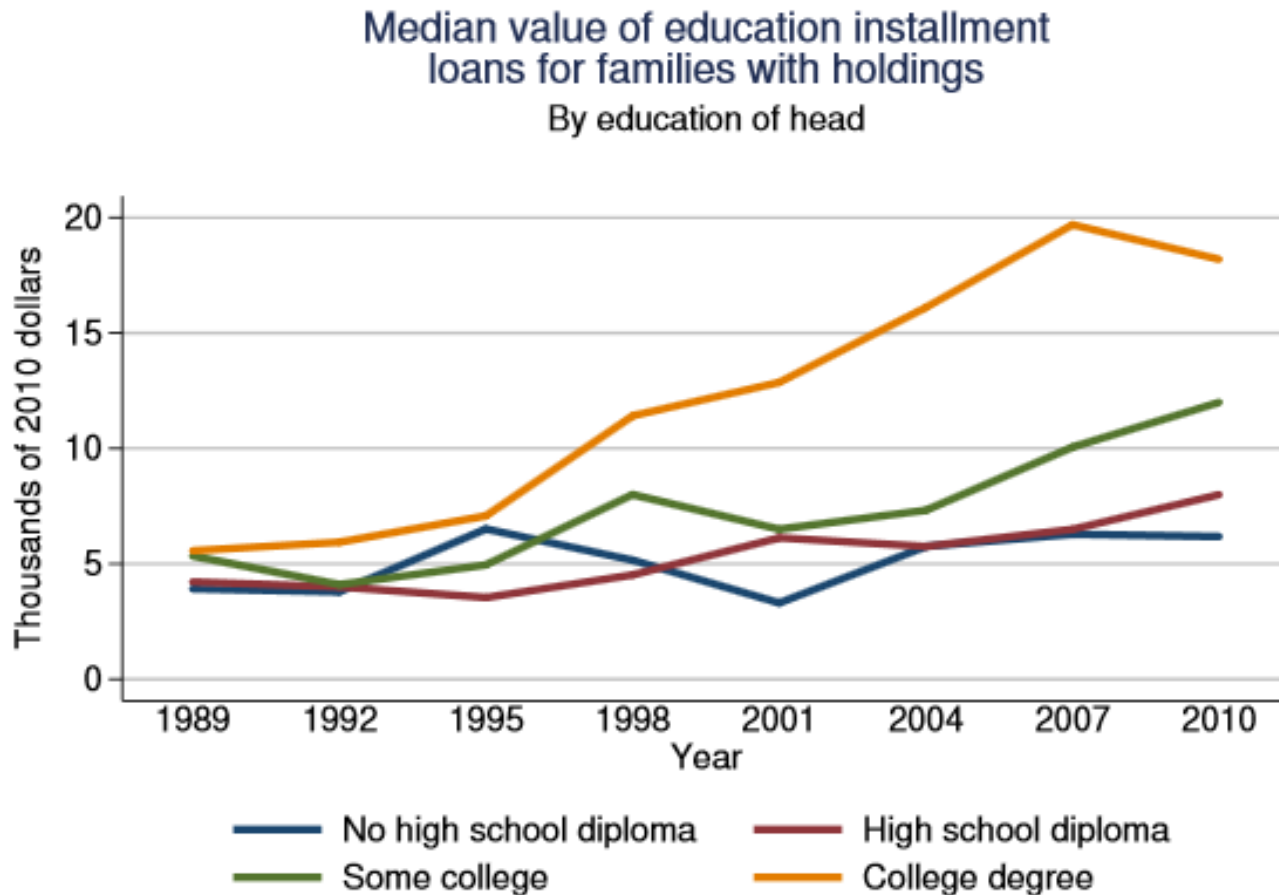
+ Income among the top 20% of households grew markedly through 1990

**Mean household income within quintile
Minnesota (2010 Dollars)**



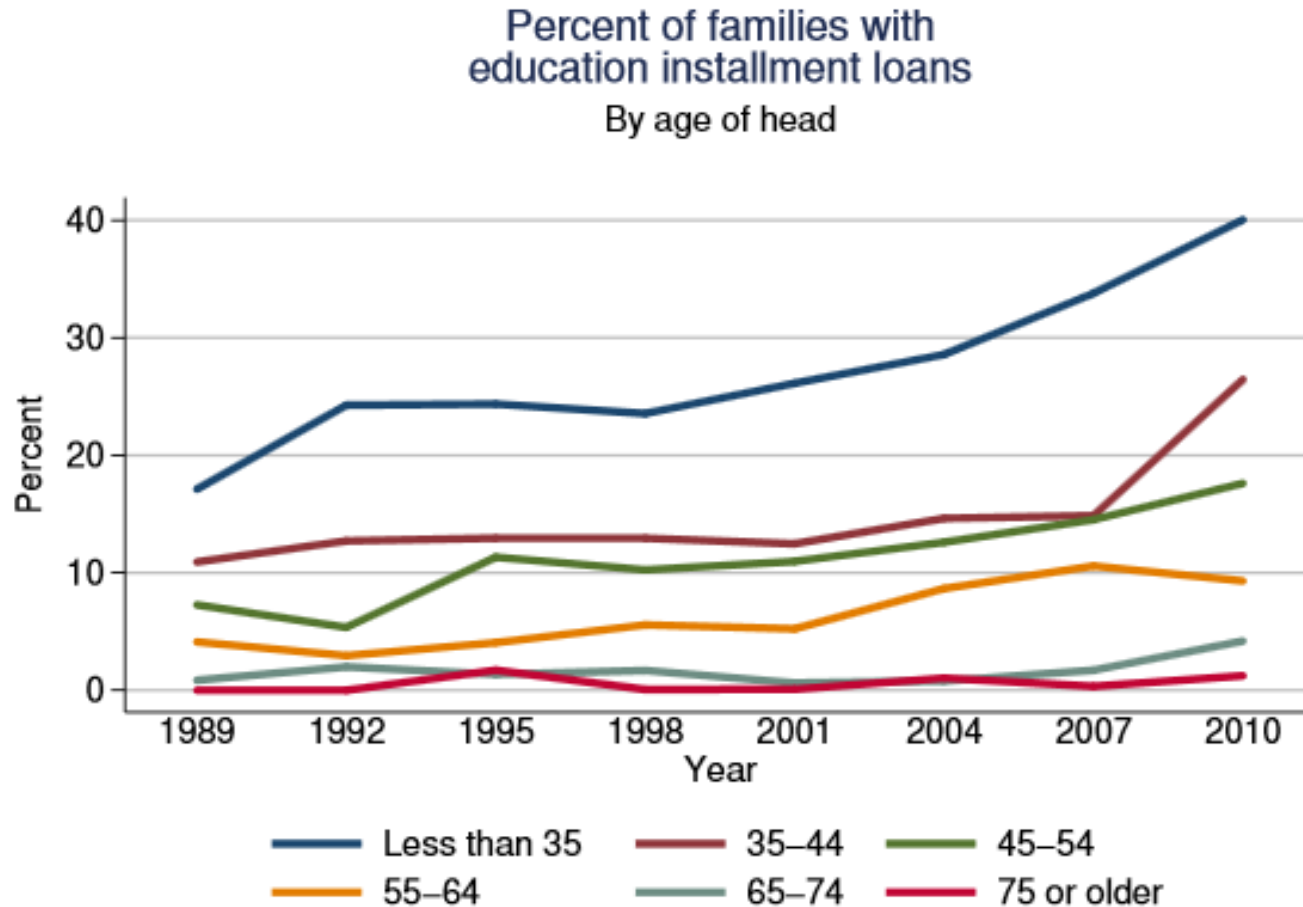


Loan values have grown for those with college degrees





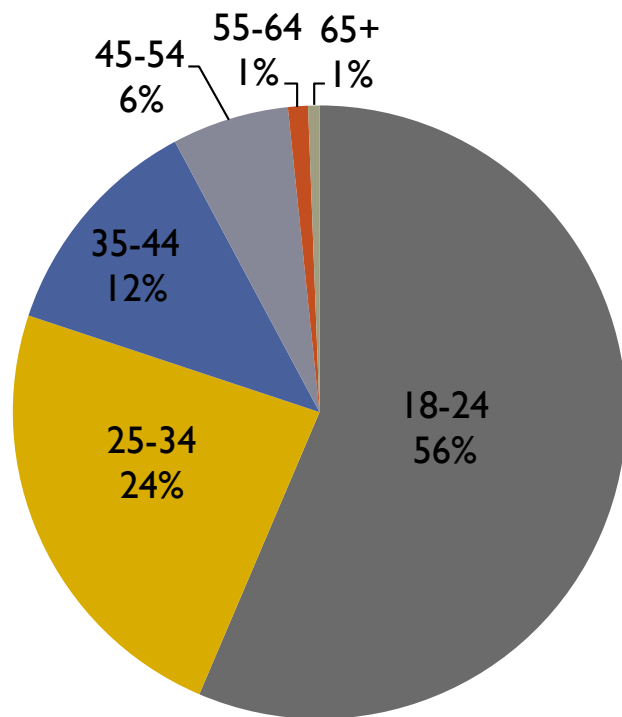
40% of young families had education installment loans in 2010



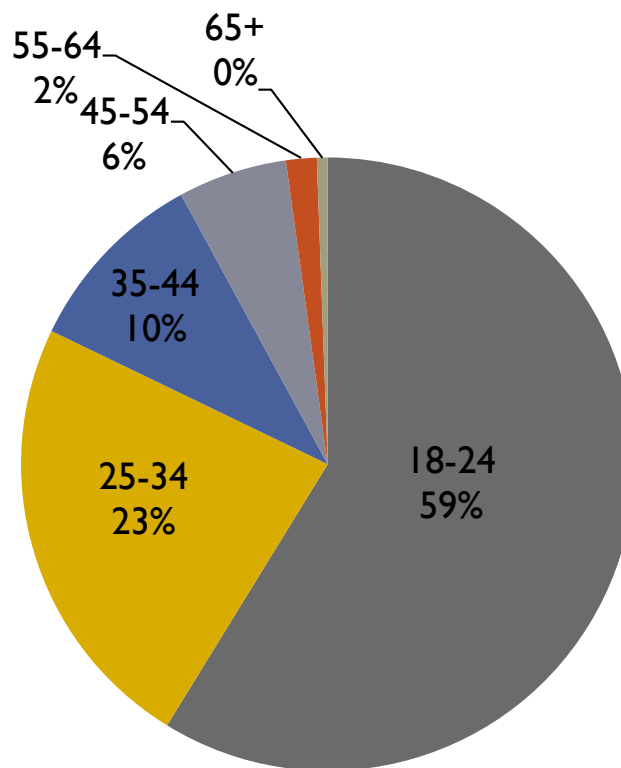


Age profile of Minnesotans enrolled in Post-Secondary School

2000



2009-2011

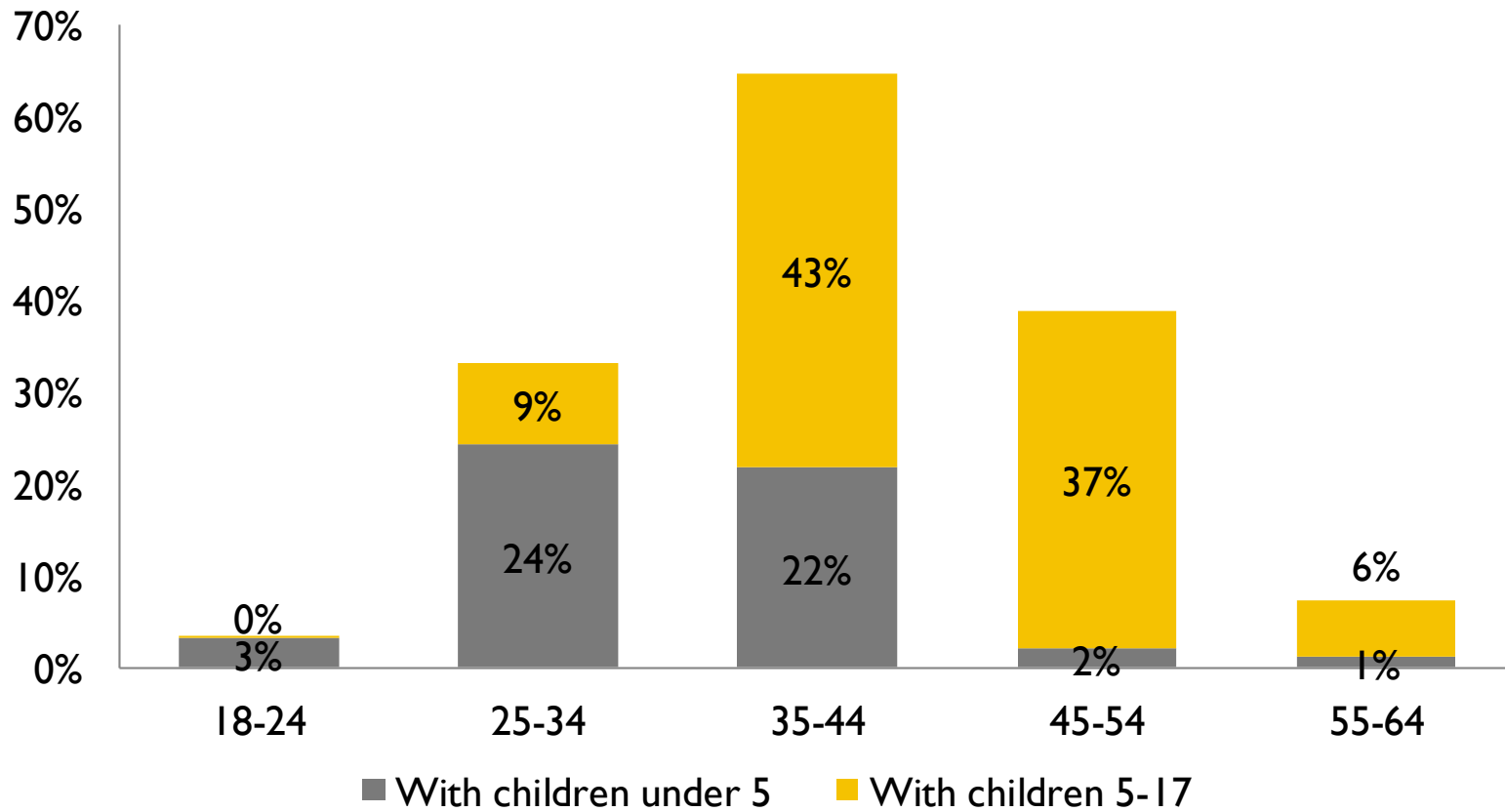
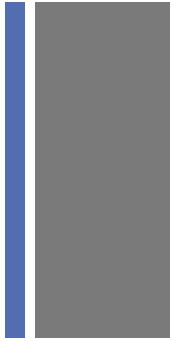


Source: U.S. Census Bureau, American Community Survey

124,000 students enrolled in post-secondary school in 2009-2011 were 25 and older

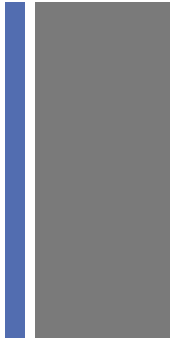


Minnesota post-secondary students with children, 2009-2011





Considerations of Demographic Change



- Population aging is a game-changer—and not just for older Minnesotans
- College-bound youth becoming more diverse
- High school grads less likely to have the financial resources to attend post-secondary school
- And yet, opportunities abound. Incentives to attend college greater than ever

+ Is demography destiny?

Opportunities are plentiful and the flexible win. Higher-ed institutions can reorient to the new demographic realities.

- Age: Competing demands on time include parenthood & work
- Students of color: Uneven high-school outcomes create untapped potential
- International immigration: Shifting mix of international to Minnesota-born students may create new opportunities for both groups